

Congress of the United States
House of Representatives
Washington, DC 20515-5401

August 13, 2009

Sergio Marchionne
Chief Executive Officer
Chrysler Group LLC
P.O. Box 21-8004
Auburn Hills, MI 48321-8004

Dear Mr. Marchionne:

I write to express my concern that Chrysler customers in Puerto Rico, whom I represent, are not eligible for a \$4,500 rebate currently offered by Chrysler to customers in the states. I respectfully request that you revise this promotion to treat consumers in Puerto Rico no differently than consumers in the states.

As you know, under the federal Car Allowance Rebate System, commonly referred to as the "Cash for Clunkers" program, the federal government is providing vouchers in the amount of \$3,500 or \$4,500 to participating dealers to be applied toward the purchase or lease of a new fuel efficient vehicle. To be eligible for the voucher, the consumer must surrender a vehicle to a participating dealer that is less fuel efficient, by a specified number of miles per gallon, than the vehicle he or she is purchasing. Dealers and consumers in Puerto Rico are fully eligible to participate in the program.

A press release located on your website, dated July 22, 2009, describes an additional \$4,500 rebate Chrysler is offering to consumers who purchase a new vehicle. Although the Chrysler rebate should apply to dealers in Puerto Rico, an article that appeared in the July 30, 2009 edition of Caribbean Business stated that "Puerto Rico is considered international" by Chrysler and that, as a result, consumers in Puerto Rico are not eligible for the additional rebate. I have been advised that all 50 states, including Alaska and Hawaii, are considered part of Chrysler's United States region.

I am troubled that Chrysler is withholding an otherwise nationally applicable rebate to consumers in Puerto Rico. Puerto Rico is an integral part of the United States. Consumers

living on the island are no less deserving of Chrysler's rebates than consumers living in the states. The fact that Chrysler has extended the rebate to consumers in Alaska and Hawaii demonstrates that the cost of shipping vehicles to dealers outside the 48 contiguous states is not a plausible reason for limiting the geographic reach of the rebate. If Chrysler has seen fit to provide the rebate to consumers in Alaska and Hawaii—which are no closer to the U.S. mainland than Puerto Rico—then there can be no economic justification for excluding Puerto Rico.

Moreover, the federal government has recently provided Chrysler with a range of financial assistance, including direct loans, working capital, financial aid for suppliers, and warranty support. It is inconsistent for Chrysler to accept federal support but not offer this rebate to all residents of the United States. Now, more than ever, is the time for Chrysler to support the Puerto Rico economy by extending this rebate to Puerto Rico consumers.

Thank you for your attention to this important matter.

Sincerely,



Pedro R. Pierluisi
Member of Congress